

NEW YORK STATE BUILDING AND CONSTRUCTION TRADES COUNCIL

AFFILIATED WITH BUILDING AND CONSTRUCTION TRADES DEPARTMENT AFL-CIO 113 State Street, First Floor, Albany, NY 12207 • Phone 518/435-9108 • Fax 518/435-9204

Gary LaBarbera, President

Albert Catalano, Secretary-Treasurer

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BY ELECTRONIC DELIVERY

Draft Scoping Plan Comments NYSERDA 17 Columbia Circle Albany, NY 12203-6399

Re: Draft Climate Action Council Scoping Plan Comments

Dear Climate Action Council,

The New York State Building and Construction Trades Council ("NYS BCTC") is an organization of 14 local building trades councils, 12 district councils and state associations, and 135 local unions representing over 200,000 unionized construction workers throughout the State of New York. The NYS BCTC's mission is to advance working conditions for our affiliates' members, to raise and protect the standard of living for all workers in New York State, and to advocate for policies that support union careers in the construction industry. The NYS BCTC has been actively advocating for climate policy initiatives that combat climate change and provide for responsible development and a smart transition to a new green economy for New York State.

On behalf of the NYS BCTC, we recognize the hard work that Governor Hochul, the New York State Energy Research and Development Authority (NYSERDA), and the Climate Action Council along with its Advisory Councils, have engaged in thus far in planning for the implementation of the State's Climate Leadership and Community Protection Act ("CLCPA").

A smart transition to a clean energy economy is one that achieves the State's climate goals, while also delivering economic benefits that include good paying, safe, union jobs that will support the state's overall economy. Strong labor standards, responsible development requirements, and responsible contracting requirements, as well as an all-inclusive approach to all clean energy sources, i.e., both renewable and alternative dispatchable sources like hydrogen, biofuel, and others, are each essential components to a successful transition to a reliable and clean energy system.

The CLCPA recognizes that "setting clear standards for job quality and training standards encourages not only high-quality work but positive economic impacts."¹ The labor movement, and the NYS BCTC and its affiliated unions specifically, have historically raised job quality, not just for their members, but for all workers. Unions have spent a century and beyond improving

¹ CLCPA Section 1(8).

job quality, safety, economic stability of communities, and creating a middle class, a.k.a. raising people out of poverty and exploitation. Unions are a well proven resource to meet the job quality goals of the CLCPA. This is especially true for existing union energy workers transitioning to clean energy. We have an unprecedented opportunity to partner with government and industry to ensure that the transition stabilizes our economy and our energy security. We are at an historic crossroads, and we must get it right.

COMPREHENSIVE APPROACH

Science and data must drive the strategic development of the clean energy sector. The CLCPA set the targets, but science and data tell us whether those targets are achievable without destabilizing the economy and our energy security. As the electrification demands increase, will the renewable sources favored by the CLCPA, keep up? Does the CLCPA or the Draft Scoping Plan sufficiently account for or plan for the gap between supply and demand based on the current pursuit and investment in renewables? New York Independent System Operator, Inc. (NYISO) in its recent report, *Power Trends 2022, The Path to a Reliable, Greener Grid for New York*, ² noted as follows:

Simply deactivating existing generation without having new resources on the system capable of providing comparable attributes risks the ability to maintain a reliable electric system. To facilitate a successful transition, to weather-dependent resources, we must build and interconnect technologies that fill in reliability gaps and mimic the reliability attributes of our existing fleet of generation.

The NYISO's analysis of future clean-energy scenarios concludes that maintaining reliability on the grid of the future will require significant amounts of on-demand, non-emitting, flexible resources that can account for the intermittency of renewables. According to NYISO, "[t]he New York grid faces unprecedented reliability challenges as the clean-energy transition gains momentum." ³ This means that fossil-fuel resources will be needed to maintain reliability until non-emitting dispatchable resources are developed and available to effectively replace them.⁴

The Draft Scoping Plan recognizes the need to develop non-emitting dispatchable resources, or "zero-emission resources", such as green hydrogen, low-carbon fuels such as bioenergy, or long-duration storage, as important to "ensuring a reliable electricity system beyond 2040".⁵ However, the Draft Scoping Plan provides less than aggressive strategies for expeditious development and deployment of such alternative zero emission resources.

² <u>https://www.nyiso.com/documents/20142/2223020/2022-Power-Trends-Report.pdf/d1f9eca5-b278-c445-2f3f-edd959611903?t=1654689893527</u>

³ Id., at 34.

⁴ Id., at 5; 28-30, 37-38

⁵ <u>https://climate.ny.gov/-/media/Project/Climate/Files/Draft-Scoping-Plan.pdf</u>, at 74.

The Final Scoping Plan should include a plan for incentivizing and subsidizing the development and deployment of non-emitting dispatchable resources in a responsible manner; a.k.a. zero emissions sources, alternative clean sources, etc. These resources will be needed long before the CLCPA target dates of 2030 and 2040 in order to avoid the "unprecedented reliability challenges" projected by NYISO. ⁶ Without a full court press lead by NYSERDA, the deactivation or decommissioning of current resources will outpace available non-emitting alternatives. The NYISO forecasting reports should inform the Climate Action Council's analysis of the urgency in the gap between the pace of deactivation of current resources and the development, as well as the successful and reliable deployment of alternative clean energy sources. Finally, the development and deployment of additional clean energy technology and sources, i.e., an "all of the above" approach, will diversify the clean energy industry and have a positive impact on the number and quality of jobs.

JUST TRANSITION MEANS REQUIRING STRONG LABOR STANDARDS

The NYS BCTC has submitted in earlier comments on the Draft RFP for the Third OREC Solicitation and at every opportunity, that a "just transition" means that existing workers and new workers have access to good union jobs in the clean energy sector. New jobs must keep pace with the rate that the fossil fuel jobs disappear. The energy jobs that are becoming obsolete are good union jobs that not only support workers and their families but our state's economy. The jobs that replace obsolete jobs must be good union jobs. The quality of those jobs is the result of decades of collective bargaining. Our economy cannot tolerate or absorb an approach that views these new jobs as low wage, low skill jobs. While the Draft Scoping Plan acknowledges an intent to retrain workers, provide fair pay provisions, targeted hire and business financial support and comprehensive career pathways, there is little detail as to how that will be accomplished.

The NYS BCTC submits that pre-apprenticeship, apprenticeship, labor management training programs, prevailing wage requirements, Project Labor Agreements (PLAs) and Labor Peace Agreements (LPAs), are all proven methods to ensure good union jobs with real health and retirement benefits that supports communities. Unions recruit new workers from local communities, and NYS registered apprentice programs have recruitment plans that target underserved communities, women, and other targeted populations. Pre-apprentice programs, a.k.a. apprentice readiness programs, with direct entry privileges approved by the New York State Department of Labor serve targeted populations, including economically disadvantaged, women, minorities, justice involved individuals, and veterans. It is through these mechanisms that Climate Justice can be achieved. Additionally, job protections and reemployment requirements for any workers displaced by new technologies are essential to a just transition. These labor standards and worker protections will not happen automatically, they must be required so that this transition does not start a race to the bottom and destabilize our economy.

⁶ The United Association of Plumbers and Pipefitters ("UA"), and its affiliate the New York Pipe Trades Association (NYSPTA), have submitted comments on the Draft Scoping Plan addressing, among other topics, the need to supplement investment in renewables with significant investment in "alternative clean sources "ACS" in order to develop a reliable . The NYS BCTC fully supports the , which the NYS BCTC supports the UA's " all of the above" approach to decarbonization.

The Climate Action Council has an opportunity to move beyond the concepts related to strong labor standards and integrate such standards into their Jobs Study. The Draft Scoping Plan cites to the JTWG Jobs Study of 2021 and addresses the quantity of jobs as modeled or projected in The Jobs Study. However, the Draft Scoping Plan does not address the Jobs Study analysis of what happens to wages over time or the impact that strong labor standards advocated by the NYS BCTC and other labor organizations could have on stabilizing wages. The Job Study provides as follows:

The wage profile of jobs in the four sectors shows the largest increase from 2019 to 2030 in middle wage positions (\$28 to \$37 an hour), while high wage (>\$37 an hour) and low wage positions (<\$28 an hour) could experience declines. This finding goes against national and statewide trends that have seen middle wage positions decline over the last decade. It is also important to note that these wage projections are based on current BLS data **but could change depending on the addition of transition policies that include high road labor standards and practices, such as those envisioned in the Climate Act.⁷**

The Draft Scoping Plan acknowledges a general policy favoring labor standards, but its Plan is incomplete as far as the impact of those standards on the quality of jobs. The strong labor standards that we have proposed have been successful in providing both new opportunities and protections to all workers.

The Final Scoping Plan should include the recommendation to create a statewide Office of Just Transition, which could ensure that a comprehensive approach to transitioning to clean energy mitigates job loss, worker displacement, and wage destabilization, by requiring strong labor standards, including but not limited to pre-apprenticeship, apprenticeship, other models of labor-management training programs, prevailing wage requirements, job protections and reemployment requirements, aa well as other services and support for workers displaced by new technologies, and PLAs and LPAs wherever lawful.

Finally, the Climate Action Scoping Plan must include a requirement for developers, suppliers, and subcontractors to report their efforts in sourcing materials and supplies domestically and provide an incentive scoring credit for U.S./NY manufacturing of structural and secondary steel and iron where feasible. This serves the public interest, especially given recent global supply chain constraints, that New York and the United States invest and secure a domestic supply chain in this burgeoning industry.

⁷ <u>https://climate.ny.gov/-/media/Project/Climate/Files/JTWG-Jobs-Report.ashx</u>, at 8 (emphasis added).

CONCLUSION

The NYS BCTC and its affiliates support the work of the Governor, NYSERDA, the Climate Action Council, and the departments and agencies supporting the state's transition to clean energy. We value our continued collaboration to ensure that this transition results in a robust economy driven by a strong union workforce.

Respectfully submitted,

Kany La Barbera

Gary LaBarbera President